

TEMPORARY

Serial No. 60681 T

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office. NOV 28 1994
Returned to applicant for correction.
Corrected application filed. Map filed NOV 28 1994

The applicant Santa Fe Pacific Gold Corporation
P.O. Box 69 of Golconda
Street and No. or P.O. Box No. City or Town
Nevada 89414
State and Zip Code No. hereby make application for permission to change the
Point of Diversion, Place of Use and Manner of Use of a Portion
Point of diversion, manner of use, and/or place of use
of water heretofore appropriated under #50854
Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and
identify right in Decree.

1. The source of water is underground
Name of stream, lake, underground spring or other source.
2. The amount of water to be changed. 2.65
Second feet, acre feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for dewatering, mining, milling and domestic purposes
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
4. The water heretofore permitted for dewatering, mining, milling and domestic purposes
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
5. The water is to be diverted at the following point. NW 1/4 SE 1/4 of Section 19 (DW-10) T. 39N.
Describe as being within a 40-acre subdivision of public survey and by course and
R. 43E.
distance to a section corner. If on unsurveyed land, it should be stated.

See mine site map

6. The existing permitted point of diversion is located within SW 1/4 SW 1/4 of Section 32 T. 39N.,
R. 43E., M.D.B. & M. at a point which bears N 87° 02' E a distance of 870 feet
from the southwest corner of said Section 32.
See attachment A and Place of Use Map

7. Proposed place of use.
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.
See Exhibit B
8. Existing place of use.
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or
manner of use of irrigation permit, describe acreage to be removed from irrigation.

9. Use will be from January 1 to December 31 of each year.
Month and Day Month and Day
10. Use was permitted from January 1 to December 31 of each year.
Month and Day Month and Day
11. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and
specifications of your diversion or storage works.) Well, pump, motor and distribution system
State manner in which water is to be diverted, i.e. diversion structure,
ditches, pipes and flumes, or drilled well, etc.

12. Estimated cost of works. \$220,000.00
13. Estimated time required to construct works. is one year

14. Estimated time required to complete the application of water to beneficial use..... is three years

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use:

Water from this location is to be commingled with water from other SFPGC permits
for a total combined duty of 6,121.0 AFA. Water is to be used in a milling,
mining and heap leaching mining complex. See attached page for additional comments.

By S/R Reinmund
SFPGC - Twin Creeks Mine
P. O. Box 69
Golconda, NV 89414

Compared jr/vjw jr/vjw

Protested.....

APPROVAL
OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 50854 is issued subject to the terms and conditions imposed in said Permit 50854 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.
(CONTINUED ON PAGE 2)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.65 cubic feet per second, but not to exceed 1918.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before.....

Proof of completion of work shall be filed before.....

Application of water to beneficial use shall be made on or before.....

Proof of the application of water to beneficial use shall be filed on or before.....

Map in support of proof of beneficial use shall be filed on or before.....

Completion of work filed.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificate No. Issued.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my

office, this 15th day of February,

A.D. 19 96

[Signature]
State Engineer

TEMPORARY

(PERMIT TERMS CONTINUED)

This permit will allow the permittee to dewater the pit area.

It is understood that any water pumped as a result of the production and dewatering operation shall be used first by the permittee for mining, milling, heap leaching, drilling, road watering and other related mining uses hereinafter referred to as mining and milling uses within the described place of use on this permit.

The State Engineer retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights. Any water pumped and not used for mining and milling purposes shall be injected or infiltrated back to the Kelley Creek Groundwater Basin. The design of the infiltration system or other disposal method and the delivery system to the site shall be submitted to the State Engineer for approval prior to any diversion of water. The permittee shall discharge water in a manner to achieve maximum conservation of the water resource. It is understood that this right must allow for a reasonable lowering of the static water level.

The State Engineer will retain the right to require additional monitoring of the water levels in observation and monitor wells and of the flow rates of surface sources. The permittee, on a schedule acceptable to the State Engineer, shall prepare and present an update on the activities of the mine and the monitoring on a periodic basis, but not less than two times per year.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate land.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from the State, Federal and local agencies and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

The total combined duty of water for consumptive purposes under Permits 49633, 49634, 50853, 50854, 52046, 52047, 52048, 52049, 52050, 52051, 53339, 53340, 53341, 58042, 58043, 58044, 58045, 59012-T, 59202-T, 59203-T, 59220-T, 59348-T, 59349-T, 59386-T, 59387-T, 60048, 60049, 60050, 60051, 60052, 60053, 60054, 60055, 60056, 60057, 60058-T, 60259-T, 60374-T, 60679-T, 60680-T and 60681-T shall not exceed 6,121.0 ACRE-FEET ANNUALLY. The total combined diversion rate of the above referenced permits shall not exceed 30.75 CUBIC FEET PER SECOND on an instantaneous basis.

This permit is issued subject to, and also incorporates the terms and conditions set forth in the State Engineer's Order No. 1087, Order Adopting Rules For Well Spacing and Modification of Regulations For Water Well and Related Drilling (January, 1990) In The Heretofore Designated Kelley Creek Ground Water Basin (4-66), dated December 30, 1993, on file in the office of the State Engineer.

This permit is issued subject to and also incorporates the terms and conditions set forth in the State Engineer's Ruling No. 3606, dated May 19, 1989.

This permit is issued subject to Stipulation to Withdraw Protests of Lavar Murdock to Application Nos. 58041-58044, inclusive, dated October 14, 1994, and further issued subject to Amendment to Stipulation to Withdraw Protests dated December 21, 1994, on file in the office of the State Engineer in 58041.

A monthly report shall be submitted to the State Engineer within 15 days after the end of each calendar quarter which shall include: the volume of water pumped from each well, the measurement of pumping water level (drawdown) from each production well and each monitoring well, the volume of water consumptively used for mining and milling uses projectwide, and the amount of water discharged for infiltration.

A method that estimates the amount of evaporative losses from the discharge system shall be submitted with the monthly report. The evaporative losses will be considered as part of the combined duty for consumptive purposes.

All of the above stated conditions are issued subject to having no adverse impacts on existing rights.

(CONTINUED ON PAGE 3)



(PERMIT TERMS CONTINUED)

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on February 14, 1996 at which time all rights herein granted shall revert to the right being changed by this temporary permit.

